

AMENDED IN ASSEMBLY JUNE 16, 2009

SENATE BILL

No. 120

Introduced by Senator Lowenthal
(Principal coauthor: Assembly Member Torrico)

February 2, 2009

An act to amend Sections 789.3, 1950.5, and 1962 of, and to add Section 1942.2 to, the Civil Code, and to amend Sections 777.1, 10009.1, 12822.1, and 16481.1 of, and to repeal Sections 777, 10009, 12822, and 16481 of, the Public Utilities Code, relating to residential tenancies.

LEGISLATIVE COUNSEL'S DIGEST

SB 120, as amended, Lowenthal. Residential tenancies.

~~(1) Existing law prohibits a landlord from willfully causing the interruption or termination of any utility service furnished to a tenant, with the intent of terminating the occupancy, regardless of whether the utility service is under the control of the landlord. Existing law also prohibits a landlord from willfully preventing a tenant from gaining reasonable access to the property by changing the locks, removing doors or windows, or removing from the premises the tenant's personal property, as specified, with the intent of terminating the occupancy.~~

~~This bill would define a landlord and a tenant for purposes of the provisions governing tenancies. The bill would define a landlord for purposes of these provisions to specifically include an interest acquired pursuant to provisions governing mortgage defaults, as specified.~~

~~(2)~~

~~(1) Existing law governs the obligations of tenants and landlords under a lease or tenancy. Among other things, these provisions govern the collection and return of security deposits by the landlord or the~~

~~landlord's successor in interest, including the transfer or return of any security remaining after termination of the tenancy.~~

~~Existing law also governs mortgages, including procedures in the case of mortgage default.~~

~~This bill would authorize a tenant or occupant who has made a payment to a public utility to deduct the amount of the payment from the rent when due, as specified. The bill would revise the provisions governing the transfer or return of any security remaining after termination of the tenancy to specifically apply, upon termination of the landlord's interest in the premises, in the case of a trustee sale and to apply whether the termination of the landlord's interest in the premises was voluntary or involuntary. The bill would define a "successor in interest" for purposes of these provisions to apply to an interest acquired pursuant to provisions governing mortgage defaults, as specified.~~

~~(3) Existing law requires the owner, or a party signing a rental agreement or lease on behalf of the owner, of a residential property that is offered to the public for rent or lease to make specified disclosures regarding the property to a tenant, as specified. These provisions are enforceable against any successor owner or manager, who must comply with these provisions within 15 days of succeeding the previous owner or manager.~~

~~This bill would define a "successor owner" for purposes of these provisions and would create an exception to that requirement if the owner serves a specified notice.~~

~~(4)~~

~~(2) The California Constitution establishes the Public Utilities Commission to fix rates and establish rules governing utilities. The California Constitution also provides that private corporations and persons who operate specified utilities are subject to control by the Legislature. Existing statutory law regulates public utilities. Among other things, a public utility must furnish and maintain adequate, efficient, just, and reasonable service as necessary to promote public health and safety, as specified.~~

~~Existing law provides that whenever an electrical, gas, heat, or water corporation furnishes individually metered residential service to residential occupants in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined, if the owner, manager, or operator is listed by the corporation as the customer of record, the corporation is required to make every good faith~~

effort to inform the residential occupants, by means of a specified notice, when the account is in arrears, that service will be terminated at least 10 days prior to termination. Existing law also provides for a procedure by which those residential occupants may become customers of the corporation. Similar provisions exist for a public utility or a district that furnishes individually metered residential light, heat, water, or power to residential occupants in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp if the owner, manager, or operator is listed by the public utility or district as the customer of record.

This bill would delete those provisions.

(5)

(3) Existing law provides that whenever an electrical, gas, heat, or water corporation furnishes residential service to residential occupants through a master meter in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined, if the owner, manager, or operator is listed by the corporation as the customer of record, the corporation is required to make every good faith effort to inform the residential occupants, by means of a written notice posted on the door of each residential unit at least 15 days prior to termination, when the account is in arrears, that service will be terminated on a date specified in the notice. Certain violations of this provision are misdemeanors. Similar provisions exist for a public utility or district that furnishes light, heat, water, or power to residential occupants through a master meter in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined, if the owner, manager, or operator is listed by the public utility or district as the customer of record.

This bill would instead require that whenever an electrical, gas, heat, or water corporation furnishes residential service to residential occupants in a residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined, if the owner, manager, or operator is listed by the corporation as the customer of record, the corporation would be required to ~~inform the residential occupants, by means of a written notice posted~~ *post a notice* on the door of each residential unit and ~~a mailed mail a copy of the~~ notice to all affected service addresses known to the utility or available through reasonable and practical methods, as specified, at least ~~15~~ 10 days prior to termination, when the account is in arrears, that service will be terminated on a date specified in the notice. Because certain violations of this provision

would be misdemeanors, the bill would create new crimes, thereby imposing a state-mandated local program.

The bill would similarly provide that whenever a public utility or district furnishes light, heat, water, or power, as specified, to residential occupants in a residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined, if the owner, manager, or operator is listed by the public utility or district as the customer of record, the public utility or district is required to ~~inform the~~ *post a notice on the door of each residential-occupants unit and mail a copy of the notice in the same method manner, as specified.*

(6)

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1942.2 is added to the Civil Code, to read:
2 1942.2. A tenant who has made a payment to a utility pursuant
3 to Section 777.1, 10009.1, 12822.1, or 16481.1 of the Public
4 Utilities Code may deduct the payment from the rent as provided
5 in that section.
6 SEC. 2. Section 777 of the Public Utilities Code is repealed.
7 777. (a) ~~Whenever an electrical, gas, heat, or water corporation~~
8 ~~furnishes individually metered residential service to residential~~
9 ~~occupants in a multiunit residential structure, mobilehome park,~~
10 ~~or permanent residential structures in a labor camp, as defined in~~
11 ~~Section 17008 of the Health and Safety Code, where the owner,~~
12 ~~manager, or operator is listed by the corporation as the customer~~
13 ~~of record, the corporation shall make every good faith effort to~~
14 ~~inform the residential occupants, by means of a notice, when the~~
15 ~~account is in arrears, that service will be terminated at least 10~~
16 ~~days prior to termination. The notice shall further inform the~~
17 ~~residential occupants that they have the right to become customers,~~
18 ~~to whom the service will then be billed, without being required to~~
19 ~~pay any amount which may be due on the delinquent account.~~

~~(b) The corporation is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the corporation's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the entire account to the satisfaction of the corporation, or if there is a physical means, legally available to the corporation, of selectively terminating service to those residential occupants who have not met the requirements of the corporation's rules and tariffs, the corporation shall make service available to those residential occupants who have met those requirements.~~

~~(c) Where prior service for a period of time is a condition for establishing credit with the corporation, residence and proof of prompt payment of rent or other credit obligation acceptable to the corporation for that period of time is a satisfactory equivalent.~~

~~(d) Any residential occupant who becomes a customer of the corporation pursuant to this section whose periodic payments, such as rental payments, include charges for residential electrical, gas, heat, or water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the corporation for those services during the preceding payment period.~~

SEC. 3. Section 777.1 of the Public Utilities Code is amended to read:

777.1. (a) Whenever an electrical, gas, heat, or water corporation furnishes residential service to residential occupants through a master meter in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined in Section 17008 of the Health and Safety Code, ~~where if~~ the owner, manager, or operator is listed by the corporation as the customer of record, the corporation shall ~~make every good faith effort to inform the residential occupants, by means of a written notice posted on the door of each residential unit do the following:~~

~~(1) Post a notice on the door of each residential unit at least 15 10 days prior to termination, when the account is in arrears, that service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each residential unit, the corporation shall post two copies of the notice~~

1 in each accessible common area and at each point of access to the
2 structure or structures. The notice shall further inform the
3 residential occupants that they have the right to become customers,
4 to whom the service will then be billed, without being required to
5 pay any amount which may be due on the delinquent account. The
6 notice also shall specify, in plain language, what the residential
7 occupants are required to do in order to prevent the termination or
8 reestablish service; the estimated monthly cost of service; the title,
9 address, and telephone number of a representative of the
10 corporation who can assist the residential occupants in continuing
11 service; and the address and telephone number of a legal services
12 project, as defined in Section 6213 of the Business and Professions
13 Code, which has been recommended by the local county bar
14 association. The notice shall be in English and, ~~to the extent~~
15 ~~practical, in any other language that the corporation determines is~~
16 ~~the primary language spoken by a significant number~~ languages
17 ~~listed in Section 1632 of the residential occupants Civil Code.~~

18 (2) *Mail a copy of the notice described in paragraph (1) to all*
19 *affected service addresses known to the corporation, or available*
20 *through reasonable and practical methods, at least 10 days prior*
21 *to termination. The notice shall be addressed to "Any Person*
22 *Renting Property At:" followed by the address of the dwelling*
23 *unit. The outside of the envelope shall state, in English and in the*
24 *languages listed in Section 1632 of the Civil Code, in at least*
25 *12-point type: "Utility service to this address may be cut off soon."*
26 *Notice need not be mailed if the service address is the same as the*
27 *billing address.*

28 (b) The corporation is not required to make service available to
29 the residential occupants unless ~~each~~ a residential occupant or a
30 representative of the residential occupants agrees to the terms and
31 conditions of service and meets the requirements of law and the
32 corporation's rules and tariffs. However, if one or more of the
33 residential occupants or the representative of the residential
34 occupants are willing and able to assume responsibility for
35 subsequent charges to the account to the satisfaction of the
36 corporation, or if there is a physical means, legally available to
37 the corporation, of selectively terminating service to those
38 residential occupants who have not met the requirements of the
39 corporation's rules and tariffs or for whom the representative of
40 the residential occupants is not responsible, the corporation shall

1 make service available to those residential occupants who have
2 met those requirements or on whose behalf those requirements
3 have been met.

4 (c) ~~Where~~*If* prior service for a period of time or other
5 demonstration of credit worthiness is a condition for establishing
6 credit with the corporation, residence and proof of prompt payment
7 of rent or other credit obligation during that period of time
8 acceptable to the corporation is a satisfactory equivalent.

9 (d) Any residential occupant who becomes a customer of the
10 corporation pursuant to this section whose periodic payments, such
11 as rental payments, include charges for residential electrical, gas,
12 heat, or water service, ~~where~~*if* those charges are not separately
13 stated, may deduct from the periodic payment each payment period
14 all reasonable charges paid to the corporation for those services
15 during the preceding payment period.

16 (e) Whenever a corporation furnishes residential service subject
17 to subdivision (a), the corporation may not terminate that service
18 in any of the following situations:

19 (1) During the pendency of an investigation by the corporation
20 of a customer dispute or complaint.

21 (2) When the customer has been granted an extension of the
22 period for payment of a bill.

23 (3) For an indebtedness owed by the customer to any other
24 person or corporation or when the obligation represented by the
25 delinquent account or other indebtedness was incurred with a
26 person or corporation other than the electrical, gas, heat, or water
27 corporation demanding payment therefor.

28 (4) When a delinquent account relates to another property
29 owned, managed, or operated by the customer.

30 (5) When a public health or building officer certifies that
31 termination would result in a significant threat to the health or
32 safety of the residential occupants or the public.

33 (f) Notwithstanding any other provision of law, and in addition
34 to any other remedy provided by law, if the owner, manager, or
35 operator, by any act or omission, directs, permits, or fails to prevent
36 a termination of service while any residential unit receiving that
37 service is occupied, the residential occupant or the representative
38 of the residential occupants may commence an action for the
39 recovery of all of the following:

1 (1) Reasonable costs and expenses incurred by the residential
2 occupant or the representative of the residential occupants related
3 to restoration of service.

4 (2) Actual damages related to the termination of service.

5 (3) Reasonable attorney's fees of the residential occupants, the
6 representative of the residential occupants, or each of them,
7 incurred in the enforcement of this section, including, but not
8 limited to, enforcement of a lien.

9 (g) Notwithstanding any other provision of law, and in addition
10 to any other remedy provided by law, if the owner, manager, or
11 operator, by any act or omission, directs, permits, or fails to prevent
12 a termination of service while any residential unit receiving that
13 service is occupied, the corporation may commence an action for
14 the recovery of all of the following:

15 (1) Delinquent charges accruing prior to the expiration of the
16 notice prescribed by subdivision (a).

17 (2) Reasonable costs incurred by the corporation related to the
18 restoration of service.

19 (3) Reasonable attorney's fees of the corporation incurred in
20 the enforcement of this section or in the collection of delinquent
21 charges, including, but not limited to, enforcement of a lien.

22 If the court finds that the owner, manager, or operator has paid
23 the amount in arrears prior to termination, the court shall allow no
24 recovery of any charges, costs, damages, expenses, or fees under
25 this subdivision from the owner, manager, or operator.

26 An abstract of any money judgment entered pursuant to
27 subdivision (f) or (g) shall be recorded pursuant to Section 697.310
28 of the Code of Civil Procedure.

29 (h) No termination of service subject to this section may be
30 effected without compliance with this section, and any service
31 wrongfully terminated shall be restored without charge to the
32 residential occupants or customer for the restoration of the service.
33 In the event of a wrongful termination by the corporation, the
34 corporation shall, in addition, be liable to the residential occupants
35 or customer for actual damages resulting from the termination and
36 for the costs of enforcement of this section, including, but not
37 limited to, reasonable attorney's fees, if the residential occupants
38 or the representative of the residential occupants made a good faith
39 effort to have the service continued without interruption.

(i) The commission shall adopt rules and orders necessary to implement this section and shall liberally construe this section to accomplish its purpose of ensuring that service to residential occupants is not terminated due to nonpayment by the customer unless the corporation has made every reasonable effort to continue service to the residential occupants. The rules and orders shall include, but are not limited to, reasonable penalties for a violation of this section, guidelines for assistance to residents in the enforcement of this section, and requirements for the notice prescribed by subdivision (a), including, but not limited to, clear wording, large and boldface type, and comprehensive instructions to ensure full notice to the resident.

(j) Nothing in this section broadens or restricts any authority of a local agency that existed prior to January 1, 1989, to adopt an ordinance protecting a residential occupant from the involuntary termination of residential public utility service.

(k) This section preempts any statute or ordinance permitting punitive damages against any owner, manager, or operator on account of an involuntary termination of residential public utility service or permitting the recovery of costs associated with the formation, maintenance, and termination of a tenant's association.

(l) For purposes of this section, "representative of the residential occupants" does not include a tenants' association.

SEC. 4. Section 10009 of the Public Utilities Code is repealed.

~~10009. (a) Whenever a public utility furnishes individually metered residential light, heat, water, or power to residential occupants in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined in Section 17008 of the Health and Safety Code, where the owner, manager, or operator is listed by the public utility as the customer of record, the public utility shall make every good faith effort to inform the residential occupants, by means of a notice, when the account is in arrears, that service will be terminated in 10 days. The notice shall further inform the residential occupants that they have the right to become customers of the public utility without being required to pay the amount due on the delinquent account.~~

~~(b) The public utility is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service, and meets the requirements of law and the public utility's rules. However, if one or more of~~

~~the residential occupants are willing and able to assume responsibility for the entire account to the satisfaction of the public utility, or if there is a physical means, legally available to the public utility, of selectively terminating service to those residential occupants who have not met the requirements of the public utility's rules, the public utility shall make service available to the residential occupants who have met those requirements.~~

~~(c) Where prior service for a period of time is a condition for establishing credit with the public utility, residence and proof of prompt payment of rent or other obligation acceptable to the public utility for that period of time is a satisfactory equivalent.~~

~~(d) Any residential occupant who becomes a customer of the public utility pursuant to this section whose periodic payments, such as rental payments, include charges for residential light, heat, water, or power, where these charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the public utility for those services during the preceding payment period.~~

SEC. 5. Section 10009.1 of the Public Utilities Code is amended to read:

10009.1. (a) Whenever a public utility furnishes light, heat, water, or power to residential occupants ~~through a master meter in a multiunit residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined in Section 17008 of the Health and Safety Code, where if~~ the owner, manager, or operator is listed by the public utility as the customer of record, the public utility shall ~~make every good faith effort to inform the residential occupants, by means of a written notice posted on the door of each residential unit~~ *do the following:*

(1) Post a notice on the door of each residential unit at least 15 10 days prior to termination, when the account is in arrears, that service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each residential unit, the public utility shall post two copies of the notice in each accessible common area and at each point of access to the structure or structures. The notice shall further inform the residential occupants that they have the right to become utility customers, to whom the service will then be billed, without being required to pay the amount due on the delinquent account. The notice also shall specify, in plain language, what the residential

1 occupants are required to do in order to prevent the termination or
2 reestablish service; the estimated monthly cost of service; the title,
3 address, and telephone number of a representative of the public
4 utility who can assist the residential occupants in continuing
5 service; and the address and telephone number of a legal services
6 project, as defined in Section 6213 of the Business and Professions
7 Code, which has been recommended by the local county bar
8 association. The notice shall be in English and, ~~to the extent~~
9 ~~practical, in any other language that the public utility determines~~
10 ~~is the primary language spoken by a significant number in the~~
11 ~~languages listed in Section 1632 of the residential occupants Civil~~
12 ~~Code.~~

13 (2) *Mail a copy of the notice described in paragraph (1) to all*
14 *affected service addresses known to the corporation, or available*
15 *through reasonable and practical methods, at least 10 days prior*
16 *to termination. The notice shall be addressed to "Any Person*
17 *Renting Property At:" followed by the address of the dwelling*
18 *unit. The outside of the envelope shall state, in English and in the*
19 *languages listed in Section 1632 of the Civil Code, in at least*
20 *12-point type: "Utility service to this address may be cut off soon."*
21 *Notice need not be mailed if the service address is the same as the*
22 *billing address.*

23 (b) The public utility is not required to make service available
24 to the residential occupants unless ~~each~~ a residential occupant or
25 a representative of the residential occupants agrees to the terms
26 and conditions of service, and meets the requirements of law and
27 the public utility's rules. However, if one or more of the residential
28 occupants or the representative of the residential occupants are
29 willing and able to assume responsibility for subsequent charges
30 to the account to the satisfaction of the public utility, or if there is
31 a physical means, legally available to the public utility, of
32 selectively terminating service to those residential occupants who
33 have not met the requirements of the public utility's rules or for
34 whom the representative of the residential occupants is not
35 responsible, the public utility shall make service available to the
36 residential occupants who have met those requirements or on whose
37 behalf those requirements have been met.

38 (c) ~~Where~~ *If* prior service for a period of time or other
39 demonstration of credit worthiness is a condition for establishing
40 credit with the public utility, residence and proof of prompt

1 payment of rent or other credit obligation during that period of
2 time acceptable to the public utility is a satisfactory equivalent.

3 (d) Any residential occupant who becomes a customer of the
4 public utility pursuant to this section whose periodic payments,
5 such as rental payments, include charges for residential light, heat,
6 water, or power, ~~where~~ *if* these charges are not separately stated,
7 may deduct from the periodic payment each payment period all
8 reasonable charges paid to the public utility for those services
9 during the preceding payment period.

10 (e) Whenever a public utility furnishes residential service subject
11 to subdivision (a), the public utility may not terminate that service
12 in any of the following situations:

13 (1) During the pendency of an investigation by the public utility
14 of a customer dispute or complaint.

15 (2) When the customer has been granted an extension of the
16 period for payment of a bill.

17 (3) For an indebtedness owed by the customer to any other
18 public agency or when the obligation represented by the delinquent
19 account or other indebtedness was incurred with any public agency
20 other than the public utility.

21 (4) When a delinquent account relates to another property
22 owned, managed, or operated by the customer.

23 (5) When a public health or building officer certifies that
24 termination would result in a significant threat to the health or
25 safety of the residential occupants or the public.

26 (f) Notwithstanding any other provision of law, and in addition
27 to any other remedy provided by law, if the owner, manager, or
28 operator, by any act or omission, directs, permits, or fails to prevent
29 a termination of service while any residential unit is occupied, the
30 residential occupant or the representative of the residential
31 occupants may commence an action for the recovery of all of the
32 following:

33 (1) Reasonable costs and expenses incurred by the residential
34 occupant or the representative of the residential occupants related
35 to restoration of service.

36 (2) Actual damages related to the termination of service.

37 (3) Reasonable attorney's fees of the residential occupants, the
38 representative of the residential occupants, or each of them,
39 incurred in the enforcement of this section, including, but not
40 limited to, enforcement of a lien.

1 (g) Notwithstanding any other provision of law, and in addition
2 to any other remedy provided by law, if the owner, manager, or
3 operator, by any act or omission, directs, permits, or fails to prevent
4 a termination of service while any residential unit receiving that
5 service is occupied, the corporation may commence an action for
6 the recovery of all of the following:

7 (1) Delinquent charges accruing prior to the expiration of the
8 notice prescribed by subdivision (a).

9 (2) Reasonable costs incurred by the corporation related to the
10 restoration of service.

11 (3) Reasonable attorney's fees of the corporation incurred in
12 the enforcement of this section or in the collection of delinquent
13 charges, including, but not limited to, enforcement of a lien.

14 If the court finds that the owner, manager, or operator has paid
15 the amount in arrears prior to termination, the court shall allow no
16 recovery of any charges, costs, damages, expenses, or fees under
17 this subdivision from the owner, manager, or operator.

18 An abstract of any money judgment entered pursuant to
19 subdivision (f) or (g) shall be recorded pursuant to Section 697.310
20 of the Code of Civil Procedure.

21 (h) No termination of service subject to this section may be
22 effected without compliance with this section, and any service
23 wrongfully terminated shall be restored without charge to the
24 residential occupants or customer for the restoration of the service.
25 In the event of a wrongful termination by the public utility, the
26 public utility shall, in addition, be liable to the residential occupants
27 or customer for actual damages resulting from the termination and
28 for the costs of enforcement of this section, including, but not
29 limited to, reasonable attorney's fees, if the residential occupants
30 or the representative of the residential occupants make a good faith
31 effort to have the service continued without interruption.

32 (i) The public utility shall adopt rules and regulations necessary
33 to implement this section and shall liberally construe this section
34 to accomplish its purpose of ensuring that service to residential
35 occupants is not terminated due to nonpayment by the customer
36 unless the public utility has made every reasonable effort to
37 continue service to the residential occupants. The rules and
38 regulations shall include, but are not limited to, guidelines for
39 assistance to actual users in the enforcement of this section and
40 requirements for the notice prescribed by subdivision (a), including,

1 but not limited to, clear wording, large and ~~bold-face~~ *boldface*
2 type, and comprehensive instructions to ensure full notice to the
3 actual user.

4 (j) Nothing in this section broadens or restricts any authority of
5 a local agency that existed prior to January 1, 1989, to adopt an
6 ordinance protecting a residential occupant from the involuntary
7 termination of residential public utility service.

8 (k) This section preempts any statute or ordinance permitting
9 punitive damages against any owner, manager, or operator on
10 account of an involuntary termination of residential public utility
11 service or permitting the recovery of costs associated with the
12 formation, maintenance, and termination of a tenant's association.

13 ~~(l) For purposes of this section, "representative of the residential~~
14 ~~occupants" does not include a tenants' association.~~

15 *SEC. 6. Section 12822 of the Public Utilities Code is repealed.*

16 ~~12822. (a) Whenever a district furnishes individually metered~~
17 ~~residential light, heat, water, or power to residential occupants in~~
18 ~~a multiunit residential structure, mobilehome park, or permanent~~
19 ~~residential structures in a labor camp, as defined in Section 17008~~
20 ~~of the Health and Safety Code, where the owner, manager, or~~
21 ~~operator is listed by the district as the customer of record of the~~
22 ~~service, the district shall make every good faith effort to inform~~
23 ~~the residential occupants, by means of a notice, when the account~~
24 ~~is in arrears, that service will be terminated in 10 days. The notice~~
25 ~~shall further inform the residential occupants that they have the~~
26 ~~right to become customers of the district without being required~~
27 ~~to pay the amount due on the delinquent account.~~

28 ~~(b) The district is not required to make service available to the~~
29 ~~residential occupants unless each residential occupant agrees to~~
30 ~~the terms and conditions of service, and meets the requirements~~
31 ~~of the district's rules. However, if one or more of the residential~~
32 ~~occupants are willing and able to assume responsibility for the~~
33 ~~entire account to the satisfaction of the district, or if there is a~~
34 ~~physical means, legally available to the district, of selectively~~
35 ~~terminating service to those residential occupants who have not~~
36 ~~met the requirements of the district's rules, the district shall make~~
37 ~~service available to the residential occupants who have met those~~
38 ~~requirements.~~

39 ~~(c) Where prior service for a period of time is a condition for~~
40 ~~establishing credit with the district, residence and proof of prompt~~

1 payment of rent or other credit obligation acceptable to the district
2 for that period of time is a satisfactory equivalent.

3 ~~(d) Any residential occupant who becomes a customer of the~~
4 ~~district pursuant to this section whose periodic payments, such as~~
5 ~~rental payments, include charges for residential light, heat, water,~~
6 ~~or power, where these charges are not separately stated, may deduct~~
7 ~~from the periodic payment each payment period all reasonable~~
8 ~~charges paid to the district for those services during the preceding~~
9 ~~payment period.~~

10 *SEC. 7. Section 12822.1 of the Public Utilities Code is amended*
11 *to read:*

12 12822.1. (a) Whenever a district furnishes residential light,
13 heat, water, or power to residential occupants ~~through a master~~
14 ~~meter in a multiunit residential structure, mobilehome park, or~~
15 ~~permanent residential structures in a labor camp, as defined in~~
16 ~~Section 17008 of the Health and Safety Code, where if the owner,~~
17 ~~manager, or operator is listed by the district as the customer of~~
18 ~~record of the service, the district shall make every good faith effort~~
19 ~~to inform the residential occupants, by means of a written notice~~
20 ~~posted on the door of each residential unit do the following:~~

21 *(1) Post a notice on the door of each residential unit at least 15*
22 *10 days prior to termination, when the account is in arrears, that*
23 *service will be terminated on a date specified in the notice. If it is*
24 *not reasonable or practicable to post the notice on the door of each*
25 *residential unit, the district shall post two copies of the notice in*
26 *each accessible common area and at each point of access to the*
27 *structure or structures. The notice shall further inform the*
28 *residential occupants that they have the right to become customers,*
29 *to whom the service will then be billed, of the district without*
30 *being required to pay the amount due on the delinquent account.*
31 *The notice also shall specify, in plain language, what the residential*
32 *occupants are required to do in order to prevent the termination or*
33 *reestablish service; the estimated monthly cost of service; the title,*
34 *address, and telephone number of a representative of the district*
35 *who can assist the residential occupants in continuing service; and*
36 *the address and telephone number of a legal services project, as*
37 *defined in Section 6213 of the Business and Professions Code,*
38 *which has been recommended by the local county bar association.*
39 *The notice shall be in English and, to the extent practical, in any*
40 *other language that the district determines is the primary language*

1 ~~spoken by a significant number~~ languages listed in Section 1632
2 of the ~~residential occupants~~ Civil Code.

3 (2) Mail a copy of the notice described in paragraph (1) to all
4 affected service addresses known to the corporation, or available
5 through reasonable and practical methods, at least 10 days prior
6 to termination. The notice shall be addressed to "Any Person
7 Renting Property At:" followed by the address of the dwelling
8 unit. The outside of the envelope shall state, in English and in the
9 languages listed in Section 1632 of the Civil Code, in at least
10 12-point type: "Utility service to this address may be cut off soon."
11 Notice need not be mailed if the service address is the same as the
12 billing address.

13 (b) The district is not required to make service available to the
14 residential occupants unless ~~each~~ a residential occupant or a
15 representative of the residential occupants agrees to the terms and
16 conditions of service, and meets the requirement of law and the
17 district's rules. However, if one or more of the residential occupants
18 or the representative of the residential occupants are willing and
19 able to assume responsibility for subsequent charges to the account
20 to the satisfaction of the district, or if there is a physical means,
21 legally available to the district, of selectively terminating service
22 to those residential occupants who have not met the requirements
23 of the district's rules or for whom the representative of the
24 residential occupants is not responsible, the district shall make
25 service available to the residential occupants who have met those
26 requirements or on whose behalf those requirements have been
27 met.

28 (c) ~~Where~~ ~~If~~ prior service for a period of time, or other
29 demonstration of credit worthiness is a condition for establishing
30 credit with the district, residence and proof of prompt payment of
31 rent or other credit obligation during that period of time acceptable
32 to the district is a satisfactory equivalent.

33 (d) Any residential occupant who becomes a customer of the
34 district pursuant to this section whose periodic payments, such as
35 rental payments, include charges for residential light, heat, water,
36 or power, ~~where~~ if these charges are not separately stated, may
37 deduct from the periodic payment each payment period all
38 reasonable charges paid to the district for those services during
39 the preceding payment period.

1 (e) Whenever a district furnishes residential service subject to
2 subdivision (a), the district may not terminate that service in any
3 of the following situations:

4 (1) During the pendency of an investigation by the district of a
5 customer dispute or complaint.

6 (2) When the customer has been granted an extension of the
7 period for payment of a bill.

8 (3) For an indebtedness owed by the customer to any other
9 public agency or when the obligation represented by the delinquent
10 account or other indebtedness was incurred with any public agency
11 other than the district.

12 (4) When a delinquent account relates to another property
13 owned, managed, or operated by the customer.

14 (5) When a public health or building officer certifies that
15 termination would result in a significant threat to the health or
16 safety of the residential occupants or the public.

17 (f) Notwithstanding any other provision of law, and in addition
18 to any other remedy provided by law, if the owner, operator, or
19 manager, by any act or omission, directs, permits, or fails to prevent
20 a termination of service while any residential unit is occupied, the
21 residential occupant or the representative of the residential
22 occupants may commence an action for the recovery of all of the
23 following:

24 (1) Reasonable costs and expenses incurred by the residential
25 occupant or the representative of the residential occupants related
26 to restoration of service.

27 (2) Actual damages related to the termination of service.

28 (3) Reasonable attorney's fees of the residential occupants, the
29 representative of the residential occupants, or each of them,
30 incurred in the enforcement of this section, including, but not
31 limited to, enforcement of a lien.

32 (g) Notwithstanding any other provision of law, and in addition
33 to any other remedy provided by law, if the owner, manager, or
34 operator, by any act or omission, directs, permits, or fails to prevent
35 a termination of service while any residential unit receiving that
36 service is occupied, the corporation may commence an action for
37 the recovery of all of the following:

38 (1) Delinquent charges accruing prior to the expiration of the
39 notice prescribed by subdivision (a).

1 (2) Reasonable costs incurred by the corporation related to the
2 restoration of service.

3 (3) Reasonable attorney's fees of the corporation incurred in
4 the enforcement of this section or in the collection of delinquent
5 charges, including, but not limited to, enforcement of a lien.

6 If the court finds that the owner, manager, or operator has paid
7 the amount in arrears prior to termination, the court shall allow no
8 recovery of any charges, costs, damages, expenses, or fees under
9 this subdivision from the owner, manager, or operator.

10 An abstract of any money judgment entered pursuant to
11 subdivision (f) or (g) shall be recorded pursuant to Section 697.310
12 of the Code of Civil Procedure.

13 (h) No termination of service subject to this section may be
14 effected without compliance with this section, and any service
15 wrongfully terminated shall be restored without charge to the
16 residential occupants or customer for the restoration of the service.
17 In the event of a wrongful termination by the district, the district
18 shall, in addition, be liable to the residential occupants or customer
19 for actual damages resulting from the termination and for the costs
20 of enforcement of this section, including, but not limited to,
21 reasonable attorney's fees, if the residential occupants or the
22 representative of the residential occupants make a good faith effort
23 to have the service continued without interruption.

24 (i) The district shall adopt rules and regulations necessary to
25 implement this section and shall liberally construe this section to
26 accomplish its purpose of ensuring that service to the residential
27 occupants is not terminated due to nonpayment by the customer
28 unless the district has made every reasonable effort to continue
29 service to the residential occupants. The rules and regulations shall
30 include, but are not limited to, guidelines for assistance to actual
31 users in the enforcement of this section and requirements for the
32 notice prescribed by subdivision (a), including, but not limited to,
33 clear wording, large and ~~bold~~ *boldface* type, and
34 comprehensive instructions to ensure full notice to the actual user.

35 (j) Nothing in this section broadens or restricts any authority of
36 a local agency that existed prior to January 1, 1989, to adopt an
37 ordinance protecting a residential occupant from the involuntary
38 termination of residential public utility service.

39 (k) This section preempts any statute or ordinance permitting
40 punitive damages against any owner, manager, or operator on

1 account of an involuntary termination of residential public utility
2 service or permitting the recovery of costs associated with the
3 formation, maintenance, and termination of a tenant's association.

4 (b) For purposes of this section, "representative of the residential
5 occupants" does not include a tenants' association.

6 *SEC. 8. Section 16481 of the Public Utilities Code is repealed.*

7 ~~16481. (a) Whenever a district furnishes individually metered
8 residential light, heat, water, or power to residential occupants in
9 a multiunit residential structure, mobilehome park, or permanent
10 residential structures in a labor camp, as defined in Section 17008
11 of the Health and Safety Code, where the owner, manager, or
12 operator is listed by the district as the customer of record, the
13 district shall make every good faith effort to inform the residential
14 occupants, by means of a notice, when the account is in arrears,
15 that service will be terminated in 10 days. The notice shall further
16 inform the residential occupants that they have the right to become
17 customers of the district without being required to pay the amount
18 due on the delinquent account.~~

19 ~~(b) The district is not required to make service available to the
20 residential occupants unless each residential occupant agrees to
21 the terms and conditions of service, and meets the requirements
22 of the district's rules. However, if one or more of the residential
23 occupants are willing and able to assume responsibility for the
24 entire account to the satisfaction of the district, or if there is a
25 physical means, legally available to the district, of selectively
26 terminating service to those residential occupants who have not
27 met the requirements of the district's rules, the district shall make
28 service available to the residential occupants who have met those
29 requirements.~~

30 ~~(c) Where prior service for a period of time is a condition for
31 establishing credit with the district, residence and proof of prompt
32 payment of rent or other credit obligation acceptable to the district
33 for that period of time is a satisfactory equivalent.~~

34 ~~(d) Any residential occupant who becomes a customer of the
35 district pursuant to this section whose periodic payments, such as
36 rental payments, include charges for residential light, heat, water,
37 or power, where these charges are not separately stated, may deduct
38 from the periodic payment each payment period all reasonable
39 charges paid to the district for those services during the preceding
40 payment period.~~

1 *SEC. 9. Section 16481.1 of the Public Utilities Code is amended*
2 *to read:*

3 16481.1. (a) Whenever a district furnishes residential light,
4 heat, water, or power to residential occupants ~~through a master~~
5 ~~meter in a multiunit residential structure, mobilehome park, or~~
6 permanent residential structures in a labor camp, as defined in
7 Section 17008 of the Health and Safety Code, ~~where if the owner,~~
8 manager, or operator is listed by the district as the customer of
9 record, the district shall ~~make every good faith effort to inform the~~
10 ~~residential occupants, by means of a written notice posted on the~~
11 ~~door of each residential unit do the following:~~

12 (1) *Post a notice on the door of each residential unit at least 15*
13 *10 days prior to termination, when the account is in arrears, that*
14 *service will be terminated on a date specified in the notice. If it is*
15 *not reasonable or practicable to post the notice on the door of each*
16 *residential unit, the district shall post two copies of the notice in*
17 *each common area and at each point of access to the structure or*
18 *structures. The notice shall further inform the residential occupants*
19 *that they have the right to become customers, to whom the service*
20 *will be billed, of the district without being required to pay the*
21 *amount due on the delinquent account. The notice also shall*
22 *specify, in plain language, what the residential occupants are*
23 *required to do in order to prevent the termination or reestablish*
24 *service; the estimated monthly cost of service; the title, address,*
25 *and telephone number of a representative of the district who can*
26 *assist the residential occupants in continuing service; and the*
27 *address and telephone number of a legal services project, as defined*
28 *in Section 6213 of the Business and Professions Code, which has*
29 *been recommended by the local county bar association. The notice*
30 *shall be in English and, to the extent practical, in any other*
31 ~~language that the district determines is the primary language spoken~~
32 ~~by a significant number~~ *languages listed in Section 1632 of the*
33 ~~residential occupants Civil Code.~~

34 (2) *Mail a copy of the notice described in paragraph (1) to all*
35 *affected service addresses known to the corporation, or available*
36 *through reasonable and practical methods, at least 10 days prior*
37 *to termination. The notice shall be addressed to "Any Person*
38 *Renting Property At:" followed by the address of the dwelling*
39 *unit. The outside of the envelope shall state, in English and in the*
40 *languages listed in Section 1632 of the Civil Code, in at least*

1 *12-point type: "Utility service to this address may be cut off soon."*
2 *Notice need not be mailed if the service address is the same as the*
3 *billing address.*

4 (b) The district is not required to make service available to the
5 residential occupants unless ~~each~~ a residential occupant or a
6 representative of the residential occupants agrees to the terms and
7 conditions of service, and meets the requirements of law and the
8 district's rules. However, if one or more of the residential occupants
9 or the representative of the residential occupants are willing and
10 able to assume responsibility for subsequent charges to the account
11 to the satisfaction of the district, or if there is a physical means,
12 legally available to the district, of selectively terminating service
13 to those residential occupants who have not met the requirements
14 of the district's rules or for whom the representative of the
15 residential occupants is not responsible, the district shall make
16 service available to the residential occupants who have met those
17 requirements or on whose behalf those requirements have been
18 met.

19 (c) ~~Where~~ *If* prior service for a period of time or other
20 demonstration of credit worthiness is a condition for establishing
21 credit with the district, residence and proof of prompt payment of
22 rent or other credit obligation during that period of time acceptable
23 to the district is a satisfactory equivalent.

24 (d) Any residential occupant who becomes a customer of the
25 district pursuant to this section whose periodic payments, such as
26 rental payments, include charges for residential light, heat, water,
27 or power, ~~where~~ *if* these charges are not separately stated, may
28 deduct from the periodic payment each payment period all
29 reasonable charges paid to the district for those services during
30 the preceding payment period.

31 (e) Whenever a district furnishes residential service subject to
32 subdivision (a), the district may not terminate that service in any
33 of the following situations:

34 (1) During the pendency of an investigation by the district of a
35 customer dispute or complaint.

36 (2) When the customer has been granted an extension of the
37 period for payment of a bill.

38 (3) For an indebtedness owed by the customer to any other
39 public agency or when the obligation represented by the delinquent

1 account or other indebtedness was incurred with any public agency
2 other than the district.

3 (4) When a delinquent account relates to another property
4 owned, managed, or operated by the customer.

5 (5) When a public health or building officer certifies that
6 termination would result in a significant threat to the health or
7 safety of the residential occupants or the public.

8 (f) Notwithstanding any other provision of law, and in addition
9 to any other remedy provided by law, if the owner, operator, or
10 manager, by any act or omission, directs, permits, or fails to prevent
11 a termination of service while any residential unit is occupied, the
12 residential occupant or the representative of the residential
13 occupants may commence an action for the recovery of all of the
14 following:

15 (1) Reasonable costs and expenses incurred by the residential
16 occupant or the representative of the residential occupants related
17 to restoration of service.

18 (2) Actual damages related to the termination of service.

19 (3) Reasonable attorney's fees of the residential occupants, the
20 representative of the residential occupants, or each of them,
21 incurred in the enforcement of this section, including, but not
22 limited to, enforcement of a lien.

23 (g) Notwithstanding any other provision of law, and in addition
24 to any other remedy provided by law, if the owner, manager, or
25 operator, by any act or omission, directs, permits, or fails to prevent
26 a termination of service while any residential unit receiving that
27 service is occupied, the corporation may commence an action for
28 the recovery of all of the following:

29 (1) Delinquent charges accruing prior to the expiration of the
30 notice prescribed by subdivision (a).

31 (2) Reasonable costs incurred by the corporation related to the
32 restoration of service.

33 (3) Reasonable attorney's fees of the corporation incurred in
34 the enforcement of this section or in the collection of delinquent
35 charges, including, but not limited to, enforcement of a lien.

36 If the court finds that the owner, manager, or operator has paid
37 the amount in arrears prior to termination, the court shall allow no
38 recovery of any charges, costs, damages, expenses, or fees under
39 this subdivision from the owner, manager, or operator.

1 An abstract of any money judgment entered pursuant to
2 subdivision (f) or (g) shall be recorded pursuant to Section 697.310
3 of the Code of Civil Procedure.

4 (h) No termination of service subject to this section may be
5 effected without compliance with this section, and any service
6 wrongfully terminated shall be restored without charge to the
7 residential occupants or customer for the restoration of the service.
8 In the event of a wrongful termination by the district, the district
9 shall, in addition, be liable to the residential occupants or customer
10 for actual damages resulting from the termination and for the costs
11 of enforcement of this section, including, but not limited to,
12 reasonable attorney's fees, if the residential occupants or the
13 representative of the residential occupants make a good faith effort
14 to have the service continued without interruption.

15 (i) The district shall adopt rules and regulations necessary to
16 implement this section and shall liberally construe this section to
17 accomplish its purpose of ensuring that service to the residential
18 occupants is not terminated due to nonpayment by the customer
19 unless the district has made every reasonable effort to continue
20 service to the residential occupants. The rules and regulations shall
21 include, but are not limited to, guidelines for assistance to actual
22 users in the enforcement of this section and requirements for the
23 notice prescribed by subdivision (a), including, but not limited to,
24 clear wording, large and ~~bold~~ *boldface* type, and
25 comprehensive instructions to ensure full notice to the actual users.

26 (j) Nothing in this section broadens or restricts any authority of
27 a local agency that existed prior to January 1, 1989, to adopt an
28 ordinance protecting a residential occupant from the involuntary
29 termination of residential public utility service.

30 (k) This section preempts any statute or ordinance permitting
31 punitive damages against any owner, manager, or operator on
32 account of an involuntary termination of public utility service or
33 permitting the recovery of costs associated with the formation,
34 maintenance, and termination of a tenant's association.

35 ~~(l) For purposes of this section, "representative of the residential~~
36 ~~occupants" does not include a tenants' association.~~

37 *SEC. 10. No reimbursement is required by this act pursuant*
38 *to Section 6 of Article XIII B of the California Constitution because*
39 *the only costs that may be incurred by a local agency or school*
40 *district will be incurred because this act creates a new crime or*

1 *infraction, eliminates a crime or infraction, or changes the penalty*
2 *for a crime or infraction, within the meaning of Section 17556 of*
3 *the Government Code, or changes the definition of a crime within*
4 *the meaning of Section 6 of Article XIII B of the California*
5 *Constitution.*

6 SECTION 1. ~~Section 789.3 of the Civil Code, as amended by~~
7 ~~Chapter 333 of the Statutes of 1979, is amended to read:~~

8 ~~789.3. (a) A landlord shall not with intent to terminate the~~
9 ~~occupancy of property used by a tenant as his residence willfully~~
10 ~~cause, directly or indirectly, the interruption or termination of any~~
11 ~~utility service furnished the tenant, including, but not limited to,~~
12 ~~water, heat, light, electricity, gas, telephone, elevator, or~~
13 ~~refrigeration, whether or not the utility service is under the control~~
14 ~~of the landlord.~~

15 ~~(b) In addition, a landlord shall not, with intent to terminate the~~
16 ~~occupancy of property used by a tenant as his or her residence,~~
17 ~~willfully do any of the following:~~

18 ~~(1) Prevent the tenant from gaining reasonable access to the~~
19 ~~property by changing the locks or using a bootlock or by any other~~
20 ~~similar method or device.~~

21 ~~(2) Remove outside doors or windows.~~

22 ~~(3) Remove from the premises the tenant's personal property,~~
23 ~~the furnishings, or any other items without the prior written consent~~
24 ~~of the tenant, except when done pursuant to the procedure set forth~~
25 ~~in Chapter 5 (commencing with Section 1980) of Title 5 of Part 4~~
26 ~~of Division 3.~~

27 ~~Nothing in this subdivision shall be construed to prevent the~~
28 ~~lawful eviction of a tenant by appropriate legal authorities, nor~~
29 ~~shall anything in this subdivision apply to occupancies defined by~~
30 ~~subdivision (b) of Section 1940.~~

31 ~~(c) Any landlord who violates this section shall be liable to the~~
32 ~~tenant in a civil action for all of the following:~~

33 ~~(1) Actual damages of the tenant.~~

34 ~~(2) An amount not to exceed one hundred dollars (\$100) for~~
35 ~~each day or part thereof the landlord remains in violation of this~~
36 ~~section. In determining the amount of such award, the court shall~~
37 ~~consider proof of such matters as justice may require; however,~~
38 ~~in no event shall less than two hundred fifty dollars (\$250) be~~
39 ~~awarded for each separate cause of action. Subsequent or repeated~~
40 ~~violations, which are not committed contemporaneously with the~~

1 initial violation, shall be treated as separate causes of action and
2 shall be subject to a separate award of damages.

3 (d) ~~In any action under subdivision (c) the court shall award~~
4 ~~reasonable attorney's fees to the prevailing party. In any such~~
5 ~~action the tenant may seek appropriate injunctive relief to prevent~~
6 ~~continuing or further violation of the provisions of this section~~
7 ~~during the pendency of the action. The remedy provided by this~~
8 ~~section is not exclusive and shall not preclude the tenant from~~
9 ~~pursuing any other remedy which the tenant may have under any~~
10 ~~other provision of law.~~

11 (e) For purposes of this section:

12 (1) ~~"Landlord" includes, but is not limited to, a fee simple owner~~
13 ~~or owners of the property, and any successor or successors in~~
14 ~~interest to the landlord's interest in the property, including, but~~
15 ~~not limited to, interests acquired through the provisions of Chapter~~
16 ~~2 (commencing with Section 2920) of Title 14 of Part 4 of Division~~
17 ~~3.~~

18 (2) ~~"Tenant" includes a tenant occupying the property pursuant~~
19 ~~to a fixed-term tenancy, a periodic tenancy, a tenancy at will, and~~
20 ~~a tenancy at sufferance, a subtenant, a lawful occupant, and any~~
21 ~~of the above persons who lawfully occupied the property~~
22 ~~immediately prior to the owner's acquisition of the property.~~

23 SEC. 2. ~~Section 1942.2 is added to the Civil Code, to read:~~

24 ~~1942.2. A tenant who has made a payment to a utility pursuant~~
25 ~~to Section 777.1, 10009.1, 12822.1, or 16481.1 of the Public~~
26 ~~Utilities Code may deduct the payment from the rent as provided~~
27 ~~in that section.~~

28 SEC. 3. ~~Section 1950.5 of the Civil Code is amended to read:~~

29 ~~1950.5. (a) This section applies to security for a rental~~
30 ~~agreement for residential property that is used as the dwelling of~~
31 ~~the tenant.~~

32 (b) ~~As used in this section, "security" means any payment, fee,~~
33 ~~deposit or charge, including, but not limited to, any payment, fee,~~
34 ~~deposit, or charge, except as provided in Section 1950.6, that is~~
35 ~~imposed at the beginning of the tenancy to be used to reimburse~~
36 ~~the landlord for costs associated with processing a new tenant or~~
37 ~~that is imposed as an advance payment of rent, used or to be used~~
38 ~~for any purpose, including, but not limited to, any of the following:~~

39 (1) ~~The compensation of a landlord for a tenant's default in the~~
40 ~~payment of rent.~~

1 ~~(2) The repair of damages to the premises, exclusive of ordinary~~
2 ~~wear and tear, caused by the tenant or by a guest or licensee of the~~
3 ~~tenant.~~

4 ~~(3) The cleaning of the premises upon termination of the tenancy~~
5 ~~necessary to return the unit to the same level of cleanliness it was~~
6 ~~in at the inception of the tenancy. The amendments to this~~
7 ~~paragraph enacted by the act adding this sentence shall apply only~~
8 ~~to tenancies for which the tenant's right to occupy begins after~~
9 ~~January 1, 2003.~~

10 ~~(4) To remedy future defaults by the tenant in any obligation~~
11 ~~under the rental agreement to restore, replace, or return personal~~
12 ~~property or appurtenances, exclusive of ordinary wear and tear, if~~
13 ~~the security deposit is authorized to be applied thereto by the rental~~
14 ~~agreement.~~

15 ~~(e) A landlord may not demand or receive security, however~~
16 ~~denominated, in an amount or value in excess of an amount equal~~
17 ~~to two months' rent, in the case of unfurnished residential property,~~
18 ~~and an amount equal to three months' rent, in the case of furnished~~
19 ~~residential property, in addition to any rent for the first month paid~~
20 ~~on or before initial occupancy.~~

21 ~~This subdivision does not prohibit an advance payment of not~~
22 ~~less than six months' rent if the term of the lease is six months or~~
23 ~~longer.~~

24 ~~This subdivision does not preclude a landlord and a tenant from~~
25 ~~entering into a mutual agreement for the landlord, at the request~~
26 ~~of the tenant and for a specified fee or charge, to make structural,~~
27 ~~decorative, furnishing, or other similar alterations, if the alterations~~
28 ~~are other than cleaning or repairing for which the landlord may~~
29 ~~charge the previous tenant as provided by subdivision (e).~~

30 ~~(d) Any security shall be held by the landlord for the tenant who~~
31 ~~is party to the lease or agreement. The claim of a tenant to the~~
32 ~~security shall be prior to the claim of any creditor of the landlord.~~

33 ~~(e) The landlord may claim of the security only those amounts~~
34 ~~as are reasonably necessary for the purposes specified in~~
35 ~~subdivision (b). The landlord may not assert a claim against the~~
36 ~~tenant or the security for damages to the premises or any defective~~
37 ~~conditions that preexisted the tenancy, for ordinary wear and tear~~
38 ~~or the effects thereof, whether the wear and tear preexisted the~~
39 ~~tenancy or occurred during the tenancy, or for the cumulative~~

1 effects of ordinary wear and tear occurring during any one or more
2 tenancies:

3 (f) (1) ~~Within a reasonable time after notification of either~~
4 ~~party's intention to terminate the tenancy, or before the end of the~~
5 ~~lease term, the landlord shall notify the tenant in writing of his or~~
6 ~~her option to request an initial inspection and of his or her right to~~
7 ~~be present at the inspection. The requirements of this subdivision~~
8 ~~do not apply when the tenancy is terminated pursuant to subdivision~~
9 ~~(2), (3), or (4) of Section 1161 of the Code of Civil Procedure. At~~
10 ~~a reasonable time, but no earlier than two weeks before the~~
11 ~~termination or the end of lease date, the landlord, or an agent of~~
12 ~~the landlord, shall, upon the request of the tenant, make an initial~~
13 ~~inspection of the premises prior to any final inspection the landlord~~
14 ~~makes after the tenant has vacated the premises. The purpose of~~
15 ~~the initial inspection shall be to allow the tenant an opportunity to~~
16 ~~remedy identified deficiencies, in a manner consistent with the~~
17 ~~rights and obligations of the parties under the rental agreement, in~~
18 ~~order to avoid deductions from the security. If a tenant chooses~~
19 ~~not to request an initial inspection, the duties of the landlord under~~
20 ~~this subdivision are discharged. If an inspection is requested, the~~
21 ~~parties shall attempt to schedule the inspection at a mutually~~
22 ~~acceptable date and time. The landlord shall give at least 48 hours'~~
23 ~~prior written notice of the date and time of the inspection if either~~
24 ~~a mutual time is agreed upon, or if a mutually agreed time cannot~~
25 ~~be scheduled but the tenant still wishes an inspection. The tenant~~
26 ~~and landlord may agree to forgo the 48-hour prior written notice~~
27 ~~by both signing a written waiver. The landlord shall proceed with~~
28 ~~the inspection whether the tenant is present or not, unless the tenant~~
29 ~~previously withdrew his or her request for the inspection.~~

30 (2) ~~Based on the inspection, the landlord shall give the tenant~~
31 ~~an itemized statement specifying repairs or cleaning that are~~
32 ~~proposed to be the basis of any deductions from the security the~~
33 ~~landlord intends to make pursuant to paragraphs (1) to (4), inclusive~~
34 ~~of subdivision (b). This statement shall also include the texts of~~
35 ~~paragraphs (1) to (4), inclusive, of subdivision (b). The statement~~
36 ~~shall be given to the tenant, if the tenant is present for the~~
37 ~~inspection, or shall be left inside the premises.~~

38 (3) ~~The tenant shall have the opportunity during the period~~
39 ~~following the initial inspection until termination of the tenancy to~~
40 ~~remedy identified deficiencies, in a manner consistent with the~~

1 rights and obligations of the parties under the rental agreement, in
2 order to avoid deductions from the security.

3 ~~(4) Nothing in this subdivision shall prevent a landlord from~~
4 ~~using the security for deductions itemized in the statement provided~~
5 ~~for in paragraph (2) that were not cured by the tenant so long as~~
6 ~~the deductions are for damages authorized by this section.~~

7 ~~(5) Nothing in this subdivision shall prevent a landlord from~~
8 ~~using the security for any purpose specified in paragraphs (1) to~~
9 ~~(4), inclusive, of subdivision (b) that occurs between completion~~
10 ~~of the initial inspection and termination of the tenancy or was not~~
11 ~~identified during the initial inspection due to the presence of a~~
12 ~~tenant's possessions.~~

13 ~~(g) (1) No later than 21 calendar days after the tenant has~~
14 ~~vacated the premises, but not earlier than the time that either the~~
15 ~~landlord or the tenant provides a notice to terminate the tenancy~~
16 ~~under Section 1946 or 1946.1, Section 1161 of the Code of Civil~~
17 ~~Procedure, or not earlier than 60 calendar days prior to the~~
18 ~~expiration of a fixed-term lease, the landlord shall furnish the~~
19 ~~tenant, by personal delivery or by first-class mail, postage prepaid,~~
20 ~~a copy of an itemized statement indicating the basis for, and the~~
21 ~~amount of, any security received and the disposition of the security~~
22 ~~and shall return any remaining portion of the security to the tenant.~~

23 ~~(2) Along with the itemized statement, the landlord shall also~~
24 ~~include copies of documents showing charges incurred and~~
25 ~~deducted by the landlord to repair or clean the premises, as follows:~~

26 ~~(A) If the landlord or landlord's employee did the work, the~~
27 ~~itemized statement shall reasonably describe the work performed.~~
28 ~~The itemized statement shall include the time spent and the~~
29 ~~reasonable hourly rate charged.~~

30 ~~(B) If the landlord or landlord's employee did not do the work,~~
31 ~~the landlord shall provide the tenant a copy of the bill, invoice, or~~
32 ~~receipt supplied by the person or entity performing the work. The~~
33 ~~itemized statement shall provide the tenant with the name, address,~~
34 ~~and telephone number of the person or entity, if the bill, invoice,~~
35 ~~or receipt does not include that information.~~

36 ~~(C) If a deduction is made for materials or supplies, the landlord~~
37 ~~shall provide a copy of the bill, invoice, or receipt. If a particular~~
38 ~~material or supply item is purchased by the landlord on an ongoing~~
39 ~~basis, the landlord may document the cost of the item by providing~~
40 ~~a copy of a bill, invoice, receipt, vendor price list, or other vendor~~

1 document that reasonably documents the cost of the item used in
2 the repair or cleaning of the unit.

3 ~~(3) If a repair to be done by the landlord or the landlord's~~
4 ~~employee cannot reasonably be completed within 21 calendar days~~
5 ~~after the tenant has vacated the premises, or if the documents from~~
6 ~~a person or entity providing services, materials, or supplies are not~~
7 ~~in the landlord's possession within 21 calendar days after the tenant~~
8 ~~has vacated the premises, the landlord may deduct the amount of~~
9 ~~a good faith estimate of the charges that will be incurred and~~
10 ~~provide that estimate with the itemized statement. If the reason for~~
11 ~~the estimate is because the documents from a person or entity~~
12 ~~providing services, materials, or supplies are not in the landlord's~~
13 ~~possession, the itemized statement shall include the name, address,~~
14 ~~and telephone number of the person or entity. Within 14 calendar~~
15 ~~days of completing the repair or receiving the documentation, the~~
16 ~~landlord shall complete the requirements in paragraphs (1) and (2)~~
17 ~~in the manner specified.~~

18 ~~(4) The landlord need not comply with paragraph (2) or (3) if~~
19 ~~either of the following apply:~~

20 ~~(A) The deductions for repairs and cleaning together do not~~
21 ~~exceed one hundred twenty-five dollars (\$125).~~

22 ~~(B) The tenant waived the rights specified in paragraphs (2) and~~
23 ~~(3). The waiver shall only be effective if it is signed by the tenant~~
24 ~~at the same time or after a notice to terminate a tenancy under~~
25 ~~Section 1946 or 1946.1 has been given, a notice under Section~~
26 ~~1161 of the Code of Civil Procedure has been given, or no earlier~~
27 ~~than 60 calendar days prior to the expiration of a fixed-term lease.~~
28 ~~The waiver shall substantially include the text of paragraph (2).~~

29 ~~(5) Notwithstanding paragraph (4), the landlord shall comply~~
30 ~~with paragraphs (2) and (3) when a tenant makes a request for~~
31 ~~documentation within 14 calendar days after receiving the itemized~~
32 ~~statement specified in paragraph (1). The landlord shall comply~~
33 ~~within 14 calendar days after receiving the request from the tenant.~~

34 ~~(6) Any mailings to the tenant pursuant to this subdivision shall~~
35 ~~be sent to the address provided by the tenant. If the tenant does~~
36 ~~not provide an address, mailings pursuant to this subdivision shall~~
37 ~~be sent to the unit that has been vacated.~~

38 ~~(h) Upon termination of the landlord's interest in the premises,~~
39 ~~whether voluntary or involuntary, by sale, trustee sale, assignment,~~
40 ~~death, appointment of receiver or otherwise, the landlord or the~~

1 landlord's agent shall, within a reasonable time, do one of the
2 following acts, either of which shall relieve the landlord of further
3 liability with respect to the security held:

4 (1) ~~Transfer the portion of the security remaining after any~~
5 ~~lawful deductions made under subdivision (e) to the landlord's~~
6 ~~successor in interest. The landlord shall thereafter notify the tenant~~
7 ~~by personal delivery or by first-class mail, postage prepaid, of the~~
8 ~~transfer, of any claims made against the security, of the amount~~
9 ~~of the security deposited, and of the name of the successor in~~
10 ~~interest, his or her address, and his or her telephone number. If the~~
11 ~~notice to the tenant is made by personal delivery, the tenant shall~~
12 ~~acknowledge receipt of the notice and sign his or her name on the~~
13 ~~landlord's copy of the notice.~~

14 (2) ~~Return the portion of the security remaining after any lawful~~
15 ~~deductions made under subdivision (e) to the tenant, together with~~
16 ~~an accounting as provided in subdivision (g).~~

17 (i) ~~Prior to the voluntary transfer of a landlord's interest in the~~
18 ~~premises, the landlord shall deliver to the landlord's successor in~~
19 ~~interest a written statement indicating the following:~~

20 (1) ~~The security remaining after any lawful deductions are made.~~

21 (2) ~~An itemization of any lawful deductions from any security~~
22 ~~received.~~

23 (3) ~~His or her election under paragraph (1) or (2) of subdivision~~
24 ~~(h).~~

25 ~~This subdivision does not affect the validity of title to the real~~
26 ~~property transferred in violation of this subdivision.~~

27 (j) ~~In the event of noncompliance with subdivision (h), the~~
28 ~~landlord's successor in interest shall be jointly and severally liable~~
29 ~~with the landlord for repayment of the security, or that portion~~
30 ~~thereof to which the tenant is entitled, when and as provided in~~
31 ~~subdivisions (e) and (g). A successor in interest of a landlord may~~
32 ~~not require the tenant to post any security to replace that amount~~
33 ~~not transferred to the tenant or successor in interest as provided in~~
34 ~~subdivision (h), unless and until the successor in interest first makes~~
35 ~~restitution of the initial security as provided in paragraph (2) of~~
36 ~~subdivision (h) or provides the tenant with an accounting as~~
37 ~~provided in subdivision (g).~~

38 ~~This subdivision does not preclude a successor in interest from~~
39 ~~recovering from the tenant compensatory damages that are in~~

1 excess of the security received from the landlord previously paid
2 by the tenant to the landlord.

3 Notwithstanding this subdivision, if, upon inquiry and reasonable
4 investigation, a landlord's successor in interest has a good faith
5 belief that the lawfully remaining security deposit is transferred
6 to him or her or returned to the tenant pursuant to subdivision (h),
7 he or she is not liable for damages as provided in subdivision (l),
8 or any security not transferred pursuant to subdivision (h).

9 (k) Upon receipt of any portion of the security under paragraph
10 (1) of subdivision (h), the landlord's successor in interest shall
11 have all of the rights and obligations of a landlord holding the
12 security with respect to the security.

13 (l) The bad faith claim or retention by a landlord or the
14 landlord's successor in interest of the security or any portion
15 thereof in violation of this section, or the bad faith demand of
16 replacement security in violation of subdivision (j), may subject
17 the landlord or the landlord's successor in interest to statutory
18 damages of up to twice the amount of the security, in addition to
19 actual damages. The court may award damages for bad faith
20 whenever the facts warrant that award, regardless of whether the
21 injured party has specifically requested relief. In any action under
22 this section, the landlord or the landlord's successor in interest
23 shall have the burden of proof as to the reasonableness of the
24 amounts claimed or the authority pursuant to this section to demand
25 additional security deposits.

26 (m) No lease or rental agreement may contain any provision
27 characterizing any security as "nonrefundable."

28 (n) Any action under this section may be maintained in small
29 claims court if the damages claimed, whether actual or statutory
30 or both, are within the jurisdictional amount allowed by Section
31 116.220 or 116.221 of the Code of Civil Procedure.

32 (o) Proof of the existence of and the amount of a security deposit
33 may be established by any credible evidence, including, but not
34 limited to, a canceled check, a receipt, a lease indicating the
35 requirement of a deposit as well as the amount, prior consistent
36 statements or actions of the landlord or tenant, or a statement under
37 penalty of perjury that satisfies the credibility requirements set
38 forth in Section 780 of the Evidence Code.

39 (p) For purposes of this section, "successor in interest" includes
40 all successors in interest, and includes, but is not limited to, a fee

1 ~~simple owner or owners of the property, and any successor or~~
2 ~~successors in interest to the landlord's interest in the property,~~
3 ~~including, but not limited to, interests acquired through the~~
4 ~~provisions of Chapter 2 (commencing with Section 2920) of Title~~
5 ~~14. If a successor in interest has acquired the property pursuant to~~
6 ~~Chapter 2 (commencing with Section 2920) of Title 14, there shall~~
7 ~~be a rebuttable presumption that the amount of the deposit is equal~~
8 ~~to one month's rent.~~

9 ~~(q) The amendments to this section made during the 1985~~
10 ~~portion of the 1985–86 Regular Session of the Legislature that are~~
11 ~~set forth in subdivision (e) are declaratory of existing law.~~

12 ~~(r) The amendments to this section made during the 2003 portion~~
13 ~~of the 2003–04 Regular Session of the Legislature that are set forth~~
14 ~~in paragraph (1) of subdivision (f) are declaratory of existing law.~~

15 ~~SEC. 4. Section 1962 of the Civil Code is amended to read:~~

16 ~~1962. (a) Any owner of a dwelling structure specified in~~
17 ~~Section 1961 or a party signing a rental agreement or lease on~~
18 ~~behalf of the owner shall do all of the following:~~

19 ~~(1) Disclose therein the name, telephone number, and usual~~
20 ~~street address at which personal service may be effected of each~~
21 ~~person who is:~~

22 ~~(A) Authorized to manage the premises.~~

23 ~~(B) An owner of the premises or a person who is authorized to~~
24 ~~act for and on behalf of the owner for the purpose of service of~~
25 ~~process and for the purpose of receiving and receipting for all~~
26 ~~notices and demands.~~

27 ~~(2) Disclose therein the name, telephone number, and address~~
28 ~~of the person or entity to whom rent payments shall be made.~~

29 ~~(A) If rent payments may be made personally, the usual days~~
30 ~~and hours that the person will be available to receive the payments~~
31 ~~shall also be disclosed.~~

32 ~~(B) At the owner's option, the rental agreement or lease shall~~
33 ~~instead disclose the number of either:~~

34 ~~(i) The account in a financial institution into which rent~~
35 ~~payments may be made, and the name and street address of the~~
36 ~~institution; provided that the institution is located within five miles~~
37 ~~of the rental property.~~

38 ~~(ii) The information necessary to establish an electronic funds~~
39 ~~transfer procedure for paying the rent.~~

1 ~~(3) Disclose therein the form or forms in which rent payments~~
2 ~~are to be made.~~

3 ~~(4) Provide a copy of the rental agreement or lease to the tenant~~
4 ~~within 15 days of its execution by the tenant. Once each calendar~~
5 ~~year thereafter, upon request by the tenant, the owner or owner's~~
6 ~~agent shall provide an additional copy to the tenant within 15 days.~~
7 ~~If the owner or owner's agent does not possess the rental agreement~~
8 ~~or lease or a copy of it, the owner or owner's agent shall instead~~
9 ~~furnish the tenant with a written statement stating that fact and~~
10 ~~containing the information required by paragraphs (1), (2), and (3)~~
11 ~~of subdivision (a).~~

12 ~~(b) In the case of an oral rental agreement, the owner, or a person~~
13 ~~acting on behalf of the owner for the receipt of rent or otherwise,~~
14 ~~shall furnish the tenant, within 15 days of the agreement, with a~~
15 ~~written statement containing the information required by~~
16 ~~paragraphs (1), (2), and (3) of subdivision (a). Once each calendar~~
17 ~~year thereafter, upon request by the tenant, the owner or owner's~~
18 ~~agent shall provide an additional copy of the statement to the tenant~~
19 ~~within 15 days.~~

20 ~~(c) The information required by this section shall be kept current~~
21 ~~and this section shall extend to and be enforceable against any~~
22 ~~successor owner or manager, who shall comply with this section~~
23 ~~within 15 days of succeeding the previous owner or manager.~~

24 ~~(d) A party who enters into a rental agreement on behalf of the~~
25 ~~owner who fails to comply with this section is deemed an agent~~
26 ~~of each person who is an owner:~~

27 ~~(1) For the purpose of service of process and receiving and~~
28 ~~receipting for notices and demands.~~

29 ~~(2) For the purpose of performing the obligations of the owner~~
30 ~~under law and under the rental agreement.~~

31 ~~(3) For the purpose of receiving rental payments, which may~~
32 ~~be made in cash, by check, by money order, or in any form~~
33 ~~previously accepted by the owner or owner's agent, unless the~~
34 ~~form of payment has been specified in the oral or written~~
35 ~~agreement, or the tenant has been notified by the owner in writing~~
36 ~~that a particular form of payment is unacceptable.~~

37 ~~(e) Nothing in this section limits or excludes the liability of any~~
38 ~~undisclosed owner.~~

39 ~~(f) If the address provided by the owner does not allow for~~
40 ~~personal delivery, then it shall be conclusively presumed that upon~~

1 the mailing of any rent or notice to the owner by the tenant to the
2 name and address provided, the notice or rent is deemed receivable
3 by the owner on the date posted, if the tenant can show proof of
4 mailing to the name and address provided by the owner.

5 (g) For purposes of this section, “successor owner” includes all
6 successor owners, and includes, but is not limited to, a fee simple
7 owner or owners of the property, and a successor owner whose
8 interest was acquired through the provisions of Chapter 2
9 (commencing with Section 2920) of Title 14. However, a successor
10 owner whose interest was acquired under that chapter need not
11 comply with this section if the owner serves a notice pursuant to
12 Section 1161b of the Code of Civil Procedure within 15 days after
13 acquiring the property.

14 SEC. 5. Section 777 of the Public Utilities Code is repealed.

15 SEC. 6. Section 777.1 of the Public Utilities Code is amended
16 to read:

17 777.1. (a) Whenever an electrical, gas, heat, or water
18 corporation furnishes residential service to residential occupants
19 in a residential structure, mobilehome park, or permanent
20 residential structures in a labor camp, as defined in Section 17008
21 of the Health and Safety Code, if the owner, manager, or operator
22 is listed by the corporation as the customer of record, the
23 corporation shall inform the residential occupants, by means of a
24 written notice posted on the door of each residential unit and a
25 mailed notice to all affected service addresses known to the utility
26 or available through reasonable and practical methods unless the
27 service address is the same as the billing address, at least 15 days
28 prior to termination, when the account is in arrears, that service
29 will be terminated on a date specified in the notice. If it is not
30 reasonable or practicable to post the notice on the door of each
31 residential unit, the corporation shall post two copies of the notice
32 in each accessible common area and at each point of access to the
33 structure or structures. The mailed notice shall be addressed to
34 “Any Person Renting Property At:” followed by the address of the
35 dwelling unit. The outside of the envelope shall state, in English
36 and in the languages listed in Section 1632 of the Civil Code, in
37 at least 12-point type: “Utility service to this address may be cut
38 off soon.” The notice shall further inform the residential occupants
39 that they have the right to become customers, to whom the service
40 will then be billed, without being required to pay any amount which

1 may be due on the delinquent account. The notice also shall
2 specify, in plain language, what the residential occupants are
3 required to do in order to prevent the termination or reestablish
4 service; the estimated monthly cost of service; the title, address,
5 and telephone number of a representative of the corporation who
6 can assist the residential occupants in continuing service; and the
7 address and telephone number of a legal services project, as defined
8 in Section 6213 of the Business and Professions Code, which has
9 been recommended by the local county bar association. The notice
10 shall be in English and in the languages listed in Section 1632 of
11 the Civil Code.

12 (b) The corporation is not required to make service available to
13 the residential occupants unless a residential occupant or a
14 representative of the residential occupants agrees to the terms and
15 conditions of service and meets the requirements of law and the
16 corporation's rules and tariffs. However, if one or more of the
17 residential occupants or the representative of the residential
18 occupants are willing and able to assume responsibility for
19 subsequent charges to the account to the satisfaction of the
20 corporation, or if there is a physical means, legally available to
21 the corporation, of selectively terminating service to those
22 residential occupants who have not met the requirements of the
23 corporation's rules and tariffs or for whom the representative of
24 the residential occupants is not responsible, the corporation shall
25 make service available to those residential occupants who have
26 met those requirements or on whose behalf those requirements
27 have been met.

28 (c) Where prior service for a period of time or other
29 demonstration of credit worthiness is a condition for establishing
30 credit with the corporation, residence and proof of prompt payment
31 of rent or other credit obligation during that period of time
32 acceptable to the corporation is a satisfactory equivalent.

33 (d) Any residential occupant who becomes a customer of the
34 corporation pursuant to this section whose periodic payments, such
35 as rental payments, include charges for residential electrical, gas,
36 heat, or water service, where those charges are not separately
37 stated, may deduct from the periodic payment each payment period
38 all reasonable charges paid to the corporation for those services
39 during the preceding payment period.

~~(e) Whenever a corporation furnishes residential service subject to subdivision (a), the corporation may not terminate that service in any of the following situations:~~

~~(1) During the pendency of an investigation by the corporation of a customer dispute or complaint.~~

~~(2) When the customer has been granted an extension of the period for payment of a bill.~~

~~(3) For an indebtedness owed by the customer to any other person or corporation or when the obligation represented by the delinquent account or other indebtedness was incurred with a person or corporation other than the electrical, gas, heat, or water corporation demanding payment therefor.~~

~~(4) When a delinquent account relates to another property owned, managed, or operated by the customer.~~

~~(5) When a public health or building officer certifies that termination would result in a significant threat to the health or safety of the residential occupants or the public.~~

~~(f) Notwithstanding any other provision of law, and in addition to any other remedy provided by law, if the owner, manager, or operator, by any act or omission, directs, permits, or fails to prevent a termination of service while any residential unit receiving that service is occupied, the residential occupant or the representative of the residential occupants may commence an action for the recovery of all of the following:~~

~~(1) Reasonable costs and expenses incurred by the residential occupant or the representative of the residential occupants related to restoration of service.~~

~~(2) Actual damages related to the termination of service.~~

~~(3) Reasonable attorney's fees of the residential occupants, the representative of the residential occupants, or each of them, incurred in the enforcement of this section, including, but not limited to, enforcement of a lien.~~

~~(g) Notwithstanding any other provision of law, and in addition to any other remedy provided by law, if the owner, manager, or operator, by any act or omission, directs, permits, or fails to prevent a termination of service while any residential unit receiving that service is occupied, the corporation may commence an action for the recovery of all of the following:~~

~~(1) Delinquent charges accruing prior to the expiration of the notice prescribed by subdivision (a).~~

~~(2) Reasonable costs incurred by the corporation related to the restoration of service.~~

~~(3) Reasonable attorney's fees of the corporation incurred in the enforcement of this section or in the collection of delinquent charges, including, but not limited to, enforcement of a lien.~~

~~If the court finds that the owner, manager, or operator has paid the amount in arrears prior to termination, the court shall allow no recovery of any charges, costs, damages, expenses, or fees under this subdivision from the owner, manager, or operator.~~

~~An abstract of any money judgment entered pursuant to subdivision (f) or (g) shall be recorded pursuant to Section 697.310 of the Code of Civil Procedure.~~

~~(h) No termination of service subject to this section may be effected without compliance with this section, and any service wrongfully terminated shall be restored without charge to the residential occupants or customer for the restoration of the service. In the event of a wrongful termination by the corporation, the corporation shall, in addition, be liable to the residential occupants or customer for actual damages resulting from the termination and for the costs of enforcement of this section, including, but not limited to, reasonable attorney's fees, if the residential occupants or the representative of the residential occupants made a good faith effort to have the service continued without interruption.~~

~~(i) The commission shall adopt rules and orders necessary to implement this section and shall liberally construe this section to accomplish its purpose of ensuring that service to residential occupants is not terminated due to nonpayment by the customer unless the corporation has made every reasonable effort to continue service to the residential occupants. The rules and orders shall include, but are not limited to, reasonable penalties for a violation of this section, guidelines for assistance to residents in the enforcement of this section, and requirements for the notice prescribed by subdivision (a), including, but not limited to, clear wording, large and boldface type, and comprehensive instructions to ensure full notice to the resident.~~

~~(j) Nothing in this section broadens or restricts any authority of a local agency that existed prior to January 1, 1989, to adopt an ordinance protecting a residential occupant from the involuntary termination of residential public utility service.~~

~~(k) This section preempts any statute or ordinance permitting punitive damages against any owner, manager, or operator on account of an involuntary termination of residential public utility service or permitting the recovery of costs associated with the formation, maintenance, and termination of a tenant's association.~~

~~SEC. 7. Section 10009 of the Public Utilities Code is repealed.~~

~~SEC. 8. Section 10009.1 of the Public Utilities Code is amended to read:~~

~~10009.1. (a) Whenever a public utility furnishes light, heat, water, or power to residential occupants in a residential structure, mobilehome park, or permanent residential structures in a labor camp, as defined in Section 17008 of the Health and Safety Code, if the owner, manager, or operator is listed by the public utility as the customer of record, the public utility shall inform the residential occupants, by means of a written notice posted on the door of each residential unit and a mailed notice to all affected service addresses known to the utility or available through reasonable and practical methods, unless the service address is the same as the billing address, at least 15 days prior to termination, when the account is in arrears, that service will be terminated on a date specified in the notice. If it is not reasonable or practicable to post the notice on the door of each residential unit, the public utility shall post two copies of the notice in each accessible common area and at each point of access to the structure or structures. The mailed notice shall be addressed to "Any Person Renting Property At:" followed by the address of the dwelling unit. The outside of the envelope shall state, in English and in the languages listed in Section 1632 of the Civil Code, in at least 12-point type: "Utility service to this address may be cut off soon." The notice shall further inform the residential occupants that they have the right to become utility customers, to whom the service will then be billed, without being required to pay the amount due on the delinquent account. The notice also shall specify, in plain language, what the residential occupants are required to do in order to prevent the termination or reestablish service; the estimated monthly cost of service; the title, address, and telephone number of a representative of the public utility who can assist the residential occupants in continuing service; and the address and telephone number of a legal services project, as defined in Section 6213 of the Business and Professions Code, which has been recommended by the local county bar~~

1 association. The notice shall be in English and in the languages
2 listed in Section 1632 of the Civil Code.

3 (b) The public utility is not required to make service available
4 to the residential occupants unless a residential occupant or a
5 representative of the residential occupants agrees to the terms and
6 conditions of service, and meets the requirements of law and the
7 public utility's rules. However, if one or more of the residential
8 occupants or the representative of the residential occupants are
9 willing and able to assume responsibility for subsequent charges
10 to the account to the satisfaction of the public utility, or if there is
11 a physical means, legally available to the public utility, of
12 selectively terminating service to those residential occupants who
13 have not met the requirements of the public utility's rules or for
14 whom the representative of the residential occupants is not
15 responsible, the public utility shall make service available to the
16 residential occupants who have met those requirements or on whose
17 behalf those requirements have been met.

18 (c) Where prior service for a period of time or other
19 demonstration of credit worthiness is a condition for establishing
20 credit with the public utility, residence and proof of prompt
21 payment of rent or other credit obligation during that period of
22 time acceptable to the public utility is a satisfactory equivalent.

23 (d) Any residential occupant who becomes a customer of the
24 public utility pursuant to this section whose periodic payments,
25 such as rental payments, include charges for residential light, heat,
26 water, or power, where these charges are not separately stated,
27 may deduct from the periodic payment each payment period all
28 reasonable charges paid to the public utility for those services
29 during the preceding payment period.

30 (e) Whenever a public utility furnishes residential service subject
31 to subdivision (a), the public utility may not terminate that service
32 in any of the following situations:

33 (1) During the pendency of an investigation by the public utility
34 of a customer dispute or complaint.

35 (2) When the customer has been granted an extension of the
36 period for payment of a bill.

37 (3) For an indebtedness owed by the customer to any other
38 public agency or when the obligation represented by the delinquent
39 account or other indebtedness was incurred with any public agency
40 other than the public utility.

~~(4) When a delinquent account relates to another property owned, managed, or operated by the customer.~~

~~(5) When a public health or building officer certifies that termination would result in a significant threat to the health or safety of the residential occupants or the public.~~

~~(f) Notwithstanding any other provision of law, and in addition to any other remedy provided by law, if the owner, manager, or operator, by any act or omission, directs, permits, or fails to prevent a termination of service while any residential unit is occupied, the residential occupant or the representative of the residential occupants may commence an action for the recovery of all of the following:~~

~~(1) Reasonable costs and expenses incurred by the residential occupant or the representative of the residential occupants related to restoration of service.~~

~~(2) Actual damages related to the termination of service.~~

~~(3) Reasonable attorney's fees of the residential occupants, the representative of the residential occupants, or each of them, incurred in the enforcement of this section, including, but not limited to, enforcement of a lien.~~

~~(g) Notwithstanding any other provision of law, and in addition to any other remedy provided by law, if the owner, manager, or operator, by any act or omission, directs, permits, or fails to prevent a termination of service while any residential unit receiving that service is occupied, the corporation may commence an action for the recovery of all of the following:~~

~~(1) Delinquent charges accruing prior to the expiration of the notice prescribed by subdivision (a).~~

~~(2) Reasonable costs incurred by the corporation related to the restoration of service.~~

~~(3) Reasonable attorney's fees of the corporation incurred in the enforcement of this section or in the collection of delinquent charges, including, but not limited to, enforcement of a lien.~~

~~If the court finds that the owner, manager, or operator has paid the amount in arrears prior to termination, the court shall allow no recovery of any charges, costs, damages, expenses, or fees under this subdivision from the owner, manager, or operator.~~

~~An abstract of any money judgment entered pursuant to subdivision (f) or (g) shall be recorded pursuant to Section 697.310 of the Code of Civil Procedure.~~

1 ~~(h) No termination of service subject to this section may be~~
2 ~~effected without compliance with this section, and any service~~
3 ~~wrongfully terminated shall be restored without charge to the~~
4 ~~residential occupants or customer for the restoration of the service.~~
5 ~~In the event of a wrongful termination by the public utility, the~~
6 ~~public utility shall, in addition, be liable to the residential occupants~~
7 ~~or customer for actual damages resulting from the termination and~~
8 ~~for the costs of enforcement of this section, including, but not~~
9 ~~limited to, reasonable attorney's fees, if the residential occupants~~
10 ~~or the representative of the residential occupants make a good faith~~
11 ~~effort to have the service continued without interruption.~~

12 ~~(i) The public utility shall adopt rules and regulations necessary~~
13 ~~to implement this section and shall liberally construe this section~~
14 ~~to accomplish its purpose of ensuring that service to residential~~
15 ~~occupants is not terminated due to nonpayment by the customer~~
16 ~~unless the public utility has made every reasonable effort to~~
17 ~~continue service to the residential occupants. The rules and~~
18 ~~regulations shall include, but are not limited to, guidelines for~~
19 ~~assistance to actual users in the enforcement of this section and~~
20 ~~requirements for the notice prescribed by subdivision (a), including,~~
21 ~~but not limited to, clear wording, large and boldface type, and~~
22 ~~comprehensive instructions to ensure full notice to the actual user.~~

23 ~~(j) Nothing in this section broadens or restricts any authority of~~
24 ~~a local agency that existed prior to January 1, 1989, to adopt an~~
25 ~~ordinance protecting a residential occupant from the involuntary~~
26 ~~termination of residential public utility service.~~

27 ~~(k) This section preempts any statute or ordinance permitting~~
28 ~~punitive damages against any owner, manager, or operator on~~
29 ~~account of an involuntary termination of residential public utility~~
30 ~~service or permitting the recovery of costs associated with the~~
31 ~~formation, maintenance, and termination of a tenant's association.~~

32 ~~SEC. 9. Section 12822 of the Public Utilities Code is repealed.~~

33 ~~SEC. 10. Section 12822.1 of the Public Utilities Code is~~
34 ~~amended to read:~~

35 ~~12822.1. (a) Whenever a district furnishes residential light,~~
36 ~~heat, water, or power to residential occupants in a residential~~
37 ~~structure, mobilehome park, or permanent residential structures~~
38 ~~in a labor camp, as defined in Section 17008 of the Health and~~
39 ~~Safety Code, if the owner, manager, or operator is listed by the~~
40 ~~district as the customer of record of the service, the district shall~~

~~1 inform the residential occupants, by means of a written notice
2 posted on the door of each residential unit and a mailed notice to
3 all affected service addresses known to the utility or available
4 through reasonable and practical methods, unless the service
5 address is the same as the billing address, at least 15 days prior to
6 termination, when the account is in arrears, that service will be
7 terminated on a date specified in the notice. If it is not reasonable
8 or practicable to post the notice on the door of each residential
9 unit, the district shall post two copies of the notice in each
10 accessible common area and at each point of access to the structure
11 or structures. The mailed notice shall be addressed to "Any Person
12 Renting Property At:" followed by the address of the dwelling
13 unit. The outside of the envelope shall state, in English and in the
14 languages listed in Section 1632 of the Civil Code, in at least
15 12-point type: "Utility service to this address may be cut off soon."
16 The notice shall further inform the residential occupants that they
17 have the right to become customers, to whom the service will then
18 be billed, of the district without being required to pay the amount
19 due on the delinquent account. The notice also shall specify, in
20 plain language, what the residential occupants are required to do
21 in order to prevent the termination or reestablish service; the
22 estimated monthly cost of service; the title, address, and telephone
23 number of a representative of the district who can assist the
24 residential occupants in continuing service; and the address and
25 telephone number of a legal services project, as defined in Section
26 6213 of the Business and Professions Code, which has been
27 recommended by the local county bar association. The notice shall
28 be in English and in the languages listed in Section 1632 of the
29 Civil Code.~~

~~30 (b) The district is not required to make service available to the
31 residential occupants unless a residential occupant or a
32 representative of the residential occupants agrees to the terms and
33 conditions of service, and meets the requirement of law and the
34 district's rules. However, if one or more of the residential occupants
35 or the representative of the residential occupants are willing and
36 able to assume responsibility for subsequent charges to the account
37 to the satisfaction of the district, or if there is a physical means,
38 legally available to the district, of selectively terminating service
39 to those residential occupants who have not met the requirements
40 of the district's rules or for whom the representative of the~~

1 ~~residential occupants is not responsible, the district shall make~~
2 ~~service available to the residential occupants who have met those~~
3 ~~requirements or on whose behalf those requirements have been~~
4 ~~met.~~

5 ~~(e) Where prior service for a period of time, or other~~
6 ~~demonstration of credit worthiness is a condition for establishing~~
7 ~~credit with the district, residence and proof of prompt payment of~~
8 ~~rent or other credit obligation during that period of time acceptable~~
9 ~~to the district is a satisfactory equivalent.~~

10 ~~(d) Any residential occupant who becomes a customer of the~~
11 ~~district pursuant to this section whose periodic payments, such as~~
12 ~~rental payments, include charges for residential light, heat, water,~~
13 ~~or power, where these charges are not separately stated, may deduct~~
14 ~~from the periodic payment each payment period all reasonable~~
15 ~~charges paid to the district for those services during the preceding~~
16 ~~payment period.~~

17 ~~(e) Whenever a district furnishes residential service subject to~~
18 ~~subdivision (a), the district may not terminate that service in any~~
19 ~~of the following situations:~~

20 ~~(1) During the pendency of an investigation by the district of a~~
21 ~~customer dispute or complaint.~~

22 ~~(2) When the customer has been granted an extension of the~~
23 ~~period for payment of a bill.~~

24 ~~(3) For an indebtedness owed by the customer to any other~~
25 ~~public agency or when the obligation represented by the delinquent~~
26 ~~account or other indebtedness was incurred with any public agency~~
27 ~~other than the district.~~

28 ~~(4) When a delinquent account relates to another property~~
29 ~~owned, managed, or operated by the customer.~~

30 ~~(5) When a public health or building officer certifies that~~
31 ~~termination would result in a significant threat to the health or~~
32 ~~safety of the residential occupants or the public.~~

33 ~~(f) Notwithstanding any other provision of law, and in addition~~
34 ~~to any other remedy provided by law, if the owner, operator, or~~
35 ~~manager, by any act or omission, directs, permits, or fails to prevent~~
36 ~~a termination of service while any residential unit is occupied, the~~
37 ~~residential occupant or the representative of the residential~~
38 ~~occupants may commence an action for the recovery of all of the~~
39 ~~following:~~

1 ~~(1) Reasonable costs and expenses incurred by the residential~~
2 ~~occupant or the representative of the residential occupants related~~
3 ~~to restoration of service.~~

4 ~~(2) Actual damages related to the termination of service.~~

5 ~~(3) Reasonable attorney's fees of the residential occupants, the~~
6 ~~representative of the residential occupants, or each of them,~~
7 ~~incurred in the enforcement of this section, including, but not~~
8 ~~limited to, enforcement of a lien.~~

9 ~~(g) Notwithstanding any other provision of law, and in addition~~
10 ~~to any other remedy provided by law, if the owner, manager, or~~
11 ~~operator, by any act or omission, directs, permits, or fails to prevent~~
12 ~~a termination of service while any residential unit receiving that~~
13 ~~service is occupied, the corporation may commence an action for~~
14 ~~the recovery of all of the following:~~

15 ~~(1) Delinquent charges accruing prior to the expiration of the~~
16 ~~notice prescribed by subdivision (a).~~

17 ~~(2) Reasonable costs incurred by the corporation related to the~~
18 ~~restoration of service.~~

19 ~~(3) Reasonable attorney's fees of the corporation incurred in~~
20 ~~the enforcement of this section or in the collection of delinquent~~
21 ~~charges, including, but not limited to, enforcement of a lien.~~

22 ~~If the court finds that the owner, manager, or operator has paid~~
23 ~~the amount in arrears prior to termination, the court shall allow no~~
24 ~~recovery of any charges, costs, damages, expenses, or fees under~~
25 ~~this subdivision from the owner, manager, or operator.~~

26 ~~An abstract of any money judgment entered pursuant to~~
27 ~~subdivision (f) or (g) shall be recorded pursuant to Section 697.310~~
28 ~~of the Code of Civil Procedure.~~

29 ~~(h) No termination of service subject to this section may be~~
30 ~~effected without compliance with this section, and any service~~
31 ~~wrongfully terminated shall be restored without charge to the~~
32 ~~residential occupants or customer for the restoration of the service.~~
33 ~~In the event of a wrongful termination by the district, the district~~
34 ~~shall, in addition, be liable to the residential occupants or customer~~
35 ~~for actual damages resulting from the termination and for the costs~~
36 ~~of enforcement of this section, including, but not limited to,~~
37 ~~reasonable attorney's fees, if the residential occupants or the~~
38 ~~representative of the residential occupants make a good faith effort~~
39 ~~to have the service continued without interruption.~~

1 ~~(i) The district shall adopt rules and regulations necessary to~~
2 ~~implement this section and shall liberally construe this section to~~
3 ~~accomplish its purpose of ensuring that service to the residential~~
4 ~~occupants is not terminated due to nonpayment by the customer~~
5 ~~unless the district has made every reasonable effort to continue~~
6 ~~service to the residential occupants. The rules and regulations shall~~
7 ~~include, but are not limited to, guidelines for assistance to actual~~
8 ~~users in the enforcement of this section and requirements for the~~
9 ~~notice prescribed by subdivision (a), including, but not limited to,~~
10 ~~clear wording, large and boldface type, and comprehensive~~
11 ~~instructions to ensure full notice to the actual user.~~

12 ~~(j) Nothing in this section broadens or restricts any authority of~~
13 ~~a local agency that existed prior to January 1, 1989, to adopt an~~
14 ~~ordinance protecting a residential occupant from the involuntary~~
15 ~~termination of residential public utility service.~~

16 ~~(k) This section preempts any statute or ordinance permitting~~
17 ~~punitive damages against any owner, manager, or operator on~~
18 ~~account of an involuntary termination of residential public utility~~
19 ~~service or permitting the recovery of costs associated with the~~
20 ~~formation, maintenance, and termination of a tenant's association.~~

21 ~~SEC. 11. Section 16481 of the Public Utilities Code is repealed.~~

22 ~~SEC. 12. Section 16481.1 of the Public Utilities Code is~~
23 ~~amended to read:~~

24 ~~16481.1. (a) Whenever a district furnishes residential light,~~
25 ~~heat, water, or power to residential occupants in a residential~~
26 ~~structure, mobilehome park, or permanent residential structures~~
27 ~~in a labor camp, as defined in Section 17008 of the Health and~~
28 ~~Safety Code, if the owner, manager, or operator is listed by the~~
29 ~~district as the customer of record, the district shall inform the~~
30 ~~residential occupants, by means of a written notice posted on the~~
31 ~~door of each residential unit and a mailed notice to all affected~~
32 ~~service addresses known to the utility or available through~~
33 ~~reasonable and practical methods, unless the service address is the~~
34 ~~same as the billing address, at least 15 days prior to termination,~~
35 ~~when the account is in arrears, that service will be terminated on~~
36 ~~a date specified in the notice. If it is not reasonable or practicable~~
37 ~~to post the notice on the door of each residential unit, the district~~
38 ~~shall post two copies of the notice in each common area and at~~
39 ~~each point of access to the structure or structures. The mailed notice~~
40 ~~shall be addressed to "Any Person Renting Property At:" followed~~

1 by the address of the dwelling unit. The outside of the envelope
2 shall state, in English and in the languages listed in Section 1632
3 of the Civil Code, in at least 12-point type: “Utility service to this
4 address may be cut off soon.” The notice shall further inform the
5 residential occupants that they have the right to become customers,
6 to whom the service will be billed, of the district without being
7 required to pay the amount due on the delinquent account. The
8 notice also shall specify, in plain language, what the residential
9 occupants are required to do in order to prevent the termination or
10 reestablish service; the estimated monthly cost of service; the title,
11 address, and telephone number of a representative of the district
12 who can assist the residential occupants in continuing service; and
13 the address and telephone number of a legal services project, as
14 defined in Section 6213 of the Business and Professions Code,
15 which has been recommended by the local county bar association.
16 The notice shall be in English and in the languages listed in Section
17 1632 of the Civil Code.

18 (b) The district is not required to make service available to the
19 residential occupants unless a residential occupant or a
20 representative of the residential occupants agrees to the terms and
21 conditions of service, and meets the requirements of law and the
22 district’s rules. However, if one or more of the residential occupants
23 or the representative of the residential occupants are willing and
24 able to assume responsibility for subsequent charges to the account
25 to the satisfaction of the district, or if there is a physical means,
26 legally available to the district, of selectively terminating service
27 to those residential occupants who have not met the requirements
28 of the district’s rules or for whom the representative of the
29 residential occupants is not responsible, the district shall make
30 service available to the residential occupants who have met those
31 requirements or on whose behalf those requirements have been
32 met.

33 (c) Where prior service for a period of time or other
34 demonstration of credit worthiness is a condition for establishing
35 credit with the district, residence and proof of prompt payment of
36 rent or other credit obligation during that period of time acceptable
37 to the district is a satisfactory equivalent.

38 (d) Any residential occupant who becomes a customer of the
39 district pursuant to this section whose periodic payments, such as
40 rental payments, include charges for residential light, heat, water,

1 or power, where these charges are not separately stated, may deduct
2 from the periodic payment each payment period all reasonable
3 charges paid to the district for those services during the preceding
4 payment period.

5 (e) ~~Whenever a district furnishes residential service subject to~~
6 ~~subdivision (a), the district may not terminate that service in any~~
7 ~~of the following situations:~~

8 (1) ~~During the pendency of an investigation by the district of a~~
9 ~~customer dispute or complaint.~~

10 (2) ~~When the customer has been granted an extension of the~~
11 ~~period for payment of a bill.~~

12 (3) ~~For an indebtedness owed by the customer to any other~~
13 ~~public agency or when the obligation represented by the delinquent~~
14 ~~account or other indebtedness was incurred with any public agency~~
15 ~~other than the district.~~

16 (4) ~~When a delinquent account relates to another property~~
17 ~~owned, managed, or operated by the customer.~~

18 (5) ~~When a public health or building officer certifies that~~
19 ~~termination would result in a significant threat to the health or~~
20 ~~safety of the residential occupants or the public.~~

21 (f) ~~Notwithstanding any other provision of law, and in addition~~
22 ~~to any other remedy provided by law, if the owner, operator, or~~
23 ~~manager, by any act or omission, directs, permits, or fails to prevent~~
24 ~~a termination of service while any residential unit is occupied, the~~
25 ~~residential occupant or the representative of the residential~~
26 ~~occupants may commence an action for the recovery of all of the~~
27 ~~following:~~

28 (1) ~~Reasonable costs and expenses incurred by the residential~~
29 ~~occupant or the representative of the residential occupants related~~
30 ~~to restoration of service.~~

31 (2) ~~Actual damages related to the termination of service.~~

32 (3) ~~Reasonable attorney's fees of the residential occupants, the~~
33 ~~representative of the residential occupants, or each of them,~~
34 ~~incurred in the enforcement of this section, including, but not~~
35 ~~limited to, enforcement of a lien.~~

36 (g) ~~Notwithstanding any other provision of law, and in addition~~
37 ~~to any other remedy provided by law, if the owner, manager, or~~
38 ~~operator, by any act or omission, directs, permits, or fails to prevent~~
39 ~~a termination of service while any residential unit receiving that~~

1 service is occupied, the corporation may commence an action for
2 the recovery of all of the following:

3 (1) Delinquent charges accruing prior to the expiration of the
4 notice prescribed by subdivision (a).

5 (2) Reasonable costs incurred by the corporation related to the
6 restoration of service.

7 (3) Reasonable attorney's fees of the corporation incurred in
8 the enforcement of this section or in the collection of delinquent
9 charges, including, but not limited to, enforcement of a lien.

10 If the court finds that the owner, manager, or operator has paid
11 the amount in arrears prior to termination, the court shall allow no
12 recovery of any charges, costs, damages, expenses, or fees under
13 this subdivision from the owner, manager, or operator.

14 An abstract of any money judgment entered pursuant to
15 subdivision (f) or (g) shall be recorded pursuant to Section 697.310
16 of the Code of Civil Procedure.

17 (h) No termination of service subject to this section may be
18 effected without compliance with this section, and any service
19 wrongfully terminated shall be restored without charge to the
20 residential occupants or customer for the restoration of the service.
21 In the event of a wrongful termination by the district, the district
22 shall, in addition, be liable to the residential occupants or customer
23 for actual damages resulting from the termination and for the costs
24 of enforcement of this section, including, but not limited to,
25 reasonable attorney's fees, if the residential occupants or the
26 representative of the residential occupants make a good faith effort
27 to have the service continued without interruption.

28 (i) The district shall adopt rules and regulations necessary to
29 implement this section and shall liberally construe this section to
30 accomplish its purpose of ensuring that service to the residential
31 occupants is not terminated due to nonpayment by the customer
32 unless the district has made every reasonable effort to continue
33 service to the residential occupants. The rules and regulations shall
34 include, but are not limited to, guidelines for assistance to actual
35 users in the enforcement of this section and requirements for the
36 notice prescribed by subdivision (a), including, but not limited to,
37 clear wording, large and boldface type, and comprehensive
38 instructions to ensure full notice to the actual users.

39 (j) Nothing in this section broadens or restricts any authority of
40 a local agency that existed prior to January 1, 1989, to adopt an

1 ordinance protecting a residential occupant from the involuntary
2 termination of residential public utility service.

3 (k) This section preempts any statute or ordinance permitting
4 punitive damages against any owner, manager, or operator on
5 account of an involuntary termination of public utility service or
6 permitting the recovery of costs associated with the formation,
7 maintenance, and termination of a tenant's association.

8 SEC. 13. No reimbursement is required by this act pursuant to
9 Section 6 of Article XIII B of the California Constitution because
10 the only costs that may be incurred by a local agency or school
11 district will be incurred because this act creates a new crime or
12 infraction, eliminates a crime or infraction, or changes the penalty
13 for a crime or infraction, within the meaning of Section 17556 of
14 the Government Code, or changes the definition of a crime within
15 the meaning of Section 6 of Article XIII B of the California
16 Constitution.